

The background of the image is a dark red gradient. It is filled with numerous stacks of 100 US dollar bills, some of which are falling from the top, creating a sense of motion and abundance. The bills are arranged in a way that they appear to be scattered across the entire frame. In the center, the word "SPAIN" is written in a bold, white, sans-serif font. Two horizontal white lines are positioned above and below the word, framing it. On the right side of the image, there is a vertical strip of black background, which contains a dense, vertical stack of the same 100 dollar bills, appearing to be falling or piled up.

**SPAIN**

## SPAIN

*Spain has not been at the forefront of attempts at a stronger sanctions implementation in Europe, nor has it called for the confiscation of potential illicit wealth frozen by sanctions. Despite the considerable amount and value of assets belonging to Russian individuals frozen in the country, the only known investigative proceedings relating to potential sanctions evasions by Russian individuals was conducted at the request of the United States.*

### Legislative and institutional framework

In the past two years, Spain has made only minor amendments to its legislative framework relevant to asset confiscation<sup>110</sup> and has not introduced further laws or policies aimed at facilitating the implementation of sanctions. The cornerstone of the Spanish system to implement sanctions is its anti-money laundering regime, which has been evaluated as robust according to FATF standards. When it comes to sanctions implementation, shortcomings persist in the delayed transposition of designated entities into national sanctions lists, a lack of clear channels or procedures for directly receiving foreign requests to take freezing actions, and a lack of active propositions for sanctions designations.<sup>111</sup>

A legal tool that is vital in Spain's main role in fighting financial crimes, money laundering, and illicit assets is the 10/2010 Law on the Prevention of Money Laundering and Terrorist Financing, which enables the application of sanctions.<sup>112</sup> Spain's Criminal Code Article 301<sup>113</sup> and Act 19/2003<sup>114</sup> then define and regulate money laundering and the control of illicit assets respectively.

In practice, the Servicio Ejecutivo de la Comisión de Prevención de Blanqueo de Capitales (Sepblac) or Executive Service of the Commission for the Prevention of Money Laundering and Financial Crimes, serves as the FIU that supervises and inspects compliance with money laundering and financial sanctions.<sup>115</sup> Sepblac reports to the Commission for the Prevention of Money Laundering and Monetary Offences, formed of representatives from 24 state institutions and law enforcement agencies.<sup>116</sup>

Notaries, who are required to perform customer diligence checks and flag potential suspicious transactions, also play an important role in the fight against financial crime in Spain.<sup>117</sup> These reports should then be analysed and further communicated via the Centralized Organization for the Prevention of Money Laundering (OCP) - a notary body that channels its findings to public authorities, the judiciary and the police. They are responsible tracing properties of sanctioned individuals and communicating their findings to the government.<sup>118</sup>

### Investigations into assets linked to sanctioned individuals

Beyond the routine checks of notaries, financial institutions, and the FIU's analytical reports, there is no specific guidance or policy that calls for investigations into suspicious sanctioned assets in Spain. Similarly to other jurisdictions, this might be among the reasons why no judicial proceedings linked to sanctioned assets are known to be taking place currently.

The tracing and freezing of certain assets also constitutes a challenge in Spain. Through the Russian Escape investigations, Spanish investigative journalists found



several assets that had not been frozen. Some of these properties were officially owned by family members of the sanctioned individuals and others were under layers of companies obfuscating the real beneficial owner.<sup>119</sup> Overall, more than EUR 1 billion in assets have been frozen in Spain, including real estate, airplanes and bank accounts, with yachts being among the most valuable.<sup>120</sup>

Past enforcement action in the country seemed to have focused on import and export trade sanctions, for which criminal penalties apply.<sup>121</sup> The Ministry of Economic Affairs and Digital Transformation keeps a list of fines imposed in relation to failed money laundering and sanctions compliance.<sup>122</sup> The only known set of enforcement actions revolved around the luxury yacht *Tango* belonging to the sanctioned Viktor Vekselberg at the request of the United States. First, in April 2022, the Spanish Guardia Civil seized the yacht following the issuance of a U.S. seizure warrant based on the allegations of bank fraud, money laundering, and sanction evasion. Then, in January 2023, the Spanish authorities acted on the U.S. request and provisionally arrested one of two businessmen who have been charged with facilitating a sanctions evasion and money laundering scheme in relation to the ownership and operation of the yacht.<sup>123</sup>